GOVERNMENT OF INDIA
CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION
LOK SABHA

UNSTARRED QUESTION NO:618
ANSWERED ON:23.02.2001
AMENDMENT OF SUGAR POLICY
LAXMINARAYAN PANDEY;RAMSHETH THAKUR

Will the Minister of CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION be pleased to state:

(a) whether the Government have made certain changes in the existing Sugar Policy aimed at downsizing the PDS and paying way for the introduction of forward trading in sugar;

(b) if so, the details of changes made so far;

(c) its impact on market and public;

(d) whether the Government have also decided to provide additional financial assistance to sugar mills to improve the economic viability; and

(e) if so, the details therof?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION (S SREENIVASA PRASAD)

(a) & (b): Government has decided to restructure the Public Distribution System (PDS)in so far as supply of levy sugar is concerned. Income tax assesses and members of their families were excluded from the purview of the PDS levy sugar with effect from July, 2000. The supply of levy sugar under the PDS has been restricted, with effect from 1.2.2001, to the people below poverty line except in North-Eastern States/Hill States/ Island territories, where the existing arrangements would continue.However, minimum per capita per month quantum of levy sugar under the PDS has been increased from 425 gms to 500 gms, which would benefit the people below poverty line.

Government has already decided to introduce forwarding trading in sugar.

(c) As the changed policy has become effective only from 1st February 2001, it is too early to judge its impact on market and public.

(d) & (e) Financial assistance from the Sugar Development Fund in the form of loans arebeing provided for cane development and modernisation/rehabilitation of plant/machinery on receipt of applications/proposals from the sugar mills.